

## **Table of Contents**

**State Territory Name: MINNESOTA**

**State Plan Amendment (SPA) #: 24-0001**

This file contains the following documents in the order

listed:1) Approval Letter

2) CMS 179 Form/Summary Form (with 179-like data)

3) Approved SPA Pages

**DEPARTMENT OF HEALTH & HUMAN SERVICES**

Centers for Medicare & Medicaid Services  
John C. Kluczynski Federal Building  
230 South Dearborn Street, Suite 330F  
Chicago, IL 60604-1505



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**Financial Management Group**

April 18, 2024

Julie A. Marquardt  
Medicaid Director  
Health Care Administration  
State of Minnesota, Department of Human Services  
540 Cedar Street PO Box 64983  
ST. Paul, MN 55167-0983

RE: TN 24-0001

Dear Director Marquardt:

We have reviewed the proposed State Name State Plan Amendment (SPA) to Attachment 4.19-B, MN-24-0001 which was submitted to the Centers for Medicare & Medicaid Services (CMS) on March 25, 2024. This plan amendment updates rates for Youth Assertive Community Treatment (ACT), and Adult Residential Crisis Services.

Based upon the information provided by the State, we have approved the amendment with an effective date of January 1, 2024. We are enclosing the approved CMS-179 and a copy of the new state plan pages.

If you have any additional questions or need further assistance, please contact DRR analyst name at 1-312-886-0360 or [Deborah.Benson@cms.hhs.gov](mailto:Deborah.Benson@cms.hhs.gov).

Sincerely,

A solid black rectangular box redacting the signature of Todd McMillion.

Todd McMillion  
Director  
Division of Reimbursement Review

Enclosures

**TRANSMITTAL AND NOTICE OF APPROVAL OF  
STATE PLAN MATERIAL  
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER

2 4 — 0 0 0 1

2. STATE

MN

3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT

XIX  XXI

TO: CENTER DIRECTOR  
CENTERS FOR MEDICAID & CHIP SERVICES  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

January 1, 2024

5. FEDERAL STATUTE/REGULATION CITATION

42 CFR § 440 and Title XIX of the Social Security Act

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 2024 \$ 1,602,499  
b. FFY 2025 \$ 2,304,217

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT  
ATTACHMENT 4.19-B Pages 8e, 45c, and 45i

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)

same

9. SUBJECT OF AMENDMENT

Payment rates for youth ACT and adult residential crisis services and CCBHC rebasing.

10. GOVERNOR'S REVIEW (Check One)

- GOVERNOR'S OFFICE REPORTED NO COMMENT  
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED  
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

OTHER, AS SPECIFIED:

11. SIGNATURE OF STATE AGENCY OFFICIAL

[Redacted Signature]

12. TYPED NAME  
Patrick Hultman

13. TITLE  
Deputy Medicaid Director

14. DATE SUBMITTED  
3/25/2024

15. RETURN TO  
Alley Zoellner  
Minnesota Department of Human Services  
Federal Relations Unit  
540 Cedar Street, PO Box 64983  
Saint Paul, MN 55164

**FOR CMS USE ONLY**

16. DATE RECEIVED March 25, 2024

17. DATE APPROVED  
April 18, 2024

**PLAN APPROVED - ONE COPY ATTACHED**

18. EFFECTIVE DATE OF APPROVED MATERIAL  
January 1, 2024

19. SIGNATURE OF APPROVING OFFICIAL

[Redacted Signature]

20. TYPED NAME OF APPROVING OFFICIAL  
Todd McMillion

21. TITLE OF APPROVING OFFICIAL  
Director, Division of Reimbursement Review

22. REMARKS

Approved: April 18, 2024  
 Supersedes: 22-34 (21-32, 21-11, 12-13, 14-09)

4.b.Early and periodic screening, diagnosis, and treatment services (continued)

**Youth ACT services** provided by entities with contracts with the Department are paid a regional per diem rate per provider as indicated by the table below. The Department will set rates inclusive of all intensive nonresidential rehabilitative services identified in Attachments 3.1-A and B, section 4.b., item 5, using statewide parameters with assigned values based on regional costs of providing care. To determine this rate, the Department will include and document:

- A. the cost for similar services in the geographic region;
- B. actual costs incurred by entities providing the services;
- C. the intensity and frequency of services to be provided to each client;
- D. the degree to which clients will receive services other than services under this section; and
- E. the costs of other services that will be separately reimbursed.

The chart below identifies the per diem rate for youth ACT services provided on or after the effective date. The rate is based on the five criteria above. Rates are recalculated annually based on the submitted charges for the individual service components within the geographical regions. Effective for the rate years beginning on and after January 1, 2024, rates for Youth ACT services must be annually adjusted for inflation using the Centers for Medicare and Medicaid Services Medicare Economic Index (MEI). The inflation adjustment must be based on the 12-month period from the midpoint of the previous rate year to the midpoint of the rate year for which the rate is being determined.

Region	Rate Eff. 7/1/2021	Rate Eff. 1/1/2022	Rate Eff.1/1/2023	Rate Eff. 1/1/2024
Central	\$194.49	\$188.46	\$238.28	\$283.63
Metro	\$257.42	\$279.81	\$364.54	\$435.78
Northeast	\$178.60	\$178.60	\$178.60	\$184.61
Northwest	\$185.28	\$185.28	\$185.28	\$406.26
Southeast	\$149.63	\$149.63	\$149.63	\$154.67
Southwest	\$170.01	\$170.01	\$170.01	\$175.73

Travel time, as described in item 6.d.A., is paid separately.

STATE: MINNESOTA

Effective: January 1, 2024

TN: 24-01

Approved: April 18, 2024

Supersedes: 23-06 (21-32, 19-01, 15-14, 14-17, 11-02, 07-16, 04-15(a), 04-08)

13.d. Rehabilitative services. (continued)

ATTACHMENT 4.19-B

Page 45c

**Crisis assessment, crisis intervention, and crisis stabilization**

provided as part of mental health crisis response services are paid:

- As described in item 4.b. when provided by mental health professionals or mental health practitioners;
- when provided by mental health rehabilitation workers, the lower of the submitted charge or \$18.59 per 15- minute unit;
- in a group setting (which does not include short-term services provided in a supervised, licensed residential setting that is not an IMD), regardless of the provider, the lower of the submitted charge or \$9.29 per 15-minute unit. For the purposes of mental health crisis response services, "group" is defined as two to 10 recipients;

For a supervised, licensed residential setting with four or fewer beds, and does not provide intensive residential treatment services, payment is based on a historical calculation of the average cost of providing the component services of crisis assessment, crisis intervention and crisis stabilization in a residential setting, exclusive of costs related to room and board or other unallowable facility costs, ~~and is equal to the lower of the submitted charge or \$523.10 per day.~~ Effective for the rate years beginning on and after January 1, 2024, rates for adult residential services must be annually adjusted for inflation using the Centers for Medicare and Medicaid Services Medicare Economic Index (MEI). The inflation adjustment must be based on the 12-month period from the midpoint of the previous rate year to the midpoint of the rate year for which the rate is being determined. Rates are equal to the lower of the submitted charge or \$530.20 per day.

STATE: MINNESOTA  
Effective: January 1, 2024  
TN: 24-01  
Approved: April 18, 2024  
Supersedes: 20-16

ATTACHMENT 4.19-B  
Page 45i

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13.d. Rehabilitative Services. (continued)

**Rebasing and Inflation Adjustments**

CCBHC payment rates are rebased after an initial rate period, following a rate adjustment for a change in scope, and ~~three~~ two years following the last rebasing. Rates are rebased by dividing the total annual allowable CCBHC costs from the CCBHC's most recent 12 month audited cost report by the total annual number of CCBHC Medicaid and non-Medicaid visits during that 12-month time period. The resulting rate is trended from the midpoint of the cost year to the midpoint of the rate year using the MEI.

Initial payment rates are rebased once the CCBHC submits the first audited cost report including a full year of actual cost and visit data for CCBHC services under the state plan. Rates are rebased using actual data on costs and visits. Rebased rates take effect the following January, and the state does not reconcile previous payments to cost.

Rates adjusted for a change in scope are rebased once the CCBHC submits the first cost report with a full year of cost and visit data including the change in scope. Rates are rebased using actual data on costs and visits. Rebased rates take effect the following January, and the state does not reconcile previous payments to cost.

Payment rates are updated between rebasing years by trending each provider-specific rate by the Medicare Economic Index (MEI) for primary care services. Rates are trended from the midpoint of the previous calendar year to the midpoint of the following year using the MEI.

**Incentive Payments**

CCBHCs are eligible for a quality incentive payment based on reaching specific numeric thresholds on state identified performance metrics. Quality incentive payments are in addition to payments under the bundled payment rate and are paid to CCBHCs that achieve specific performance thresholds identified by the state agency with input from clinical experts and stakeholders and may include measures specific to the population served in each clinic.

CCBHCs must achieve thresholds on all six (6) quality measures in order to be eligible for a quality incentive payment. A minimum of 30 members/visits (i.e., denominator size) for each CCBHC must be present in order for the state to calculate any given measure. For measures with multiple reported rates, the minimum denominator size will need to be met for all rates calculated under the measure.

The measurement year aligns with the rate year. The state will publish quality measures and numeric thresholds and notify each CCBHC of the criteria for receiving incentive payments in writing prior to the start of each measurement year.